

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
September 4, 2012**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on September 4, 2012.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Quigley and Wickstrom.

Councilmembers Huffman and Withhart were absent.

APPROVAL OF AGENDA

Mayor Martin stated that the public hearing for tax increment financing for Midland Terrace has been postponed. A new public hearing notice will be published when that matter is to be considered.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to approve the August 20, 2012 agenda as submitted.

VOTE: Ayes - 3 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

The pool closed today and will be closed until September 21st for maintenance work. The rest of the Community Center is open.

After a request for pickle ball, two sets of courts have been lined for pickleball--one at Shamrock Park and one at the Commons.

The Mounds View School Education Foundation will hold an event, *Rock the Schoolhouse*, on Friday, November 9, 2012, at 7:00 p.m., Silverwood Park in St. Anthony. All are invited.

Councilmember Wickstrom:

One resident in Shoreview has put together a neighborhood directory as part of *Night to Unite*. Councilmember Wickstrom stated that if anyone else is interested to contact her and she will send the template for it. Contact her at ady@adywickstrom.com.

Beyond the Yellow Ribbon will meet Thursday, September 20, at Roseville City Hall, at 7:00 p.m. Focus will be on the faith-based community. Church members from all churches are invited to learn what support can be given to military families.

CONSENT AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the Consent Agenda, for August 20, 2012, and all relevant resolutions for all item Nos. 1 through 9:

1. August 13, 2012 City Council Workshop Meeting Minutes
2. August 20, 2012 City Council Meeting Minutes
3. Receipt of Committee/Commission Minutes
 - Economic Development Authority, July 9, 2012
 - Economic Development Commission, July 17, 2012
 - Planning Commission, July 24, 2012
 - Park and Recreation Commission, August 23, 2012
 - Environmental Quality Committee, August 27, 2012
4. Verified Claims in the Amount of \$557,806.75
5. Purchases
6. Approval of Application for Exempt Permit - Emmet D. Williams Elementary PTA
7. Developer Escrow Reduction
8. Approval Final Payment - 2012 Street Seal Coat Project, CP 12-05
9. Approval of Community Center Rate Adjustments

VOTE: Ayes - 3 Nays - 0

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS**ITEMS RELATED TO 2013 TAX LEVY AND BUDGET****A. ADOPT PRELIMINARY TAX LEVY****B. ESTABLISH DATES FOR BUDGET HEARING****Presentation by Assistant Finance Director Fred Espe**

The budget process requires that a preliminary levy be certified to Ramsey County by September 15th. The City Council will then hold budget workshops in September and November. Ramsey County mails estimated tax statements between November 10th and November 22nd. Staff proposes that the City public hearing for the 2013 budget be held on December 3, 2012, and adoption of budget and tax levy on December 17, 2012.

The goals of the tax levy include: 1) maintain existing services, programs and infrastructure; 2) meet existing debt obligations; 3) support capital replacements; 4) an efficient use of tax dollars. The preliminary levy proposed is \$77,470 lower than the 2013 biennial budget adopted last fall. The proposed levy increase for 2013 is 3.31%. Inclusion of the Economic Development Authority (EDA) and Housing Redevelopment Authority (HRA), the increase is 3.41%. The total dollar amount increase is \$314,481. The increase is 1.4% over the two-year budget cycle period.

The median home property value for 2013 taxes is \$222,200, a 5.7% drop in value from 2012. If a residential property decreased in value by the 5.7% amount, this change is equal to a \$26 increase for the Shoreview portion of taxes.

Adoption of the preliminary tax levy sets the maximum levy for 2013. The City Council may make reductions at final adoption but may not increase the levy above the amount set at adoption of the preliminary levy.

Councilmember Wickstrom noted that the majority of increased expenses are due to fire and police protection services.

Councilmember Quigley stated that of the 15 items impacting the levy, 12 were increases and 4 were decreases from the 2012 budget. He is satisfied that the budget is accomplishing the City's goals. The City's prudent operations do not leave large items that can be reduced.

City Manager Schwerm indicated that two items driving the General Fund levy are fire and police protection. The City contracts with Ramsey County for police service, and that budget is increased in 2013 by about 3%, as a result of adding a relief deputy. The Fire Department is continuing to add duty crew hours at the fire stations. This is a six-year program to staff the stations. The program is being implemented over time to reduce the impact to taxes. Staffed stations are able to respond to all medical calls. Beginning next year, the only hours not covered will be overnight hours. The levy is up 3.4% but was originally planned at 4.2%. Last year the

levy was reduced by 0.6%. This works out to 2.8% increase over the biennium, or 1.4% each year.

The second item driving the levy increase is increases to the Street Renewal Fund used for rebuilding streets as well as the Fixed Asset Revolving Fund used to replace all City assets from fire equipment and computers to playground equipment and trails.

Mayor Martin emphasized that the preliminary levy is a not-to-exceed amount. Last year a two-year budget was adopted. The budget for 2013 was estimated closely and turns out to be approximately \$77,000 less. More details will be presented at the public hearing.

Councilmember Wickstrom noted that it is critical that sufficient funds be in the Street Renewal Fund because that enables the City to pick up a greater portion of the cost when streets are improved. The City is able to maintain a policy that the homeowner pays the first time for road improvements, but the City pays subsequent improvements.

Mayor Martin added that there are only a few first-time roads left after which all road work will be at City cost.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt resolution number 12-78 establishing a preliminary City tax levy of \$9,604,567, and a preliminary HRA tax levy of \$75,000 for collection in 2013.

ROLL CALL: Ayes: Quigley, Wickstrom, Martin
Nays: None

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to set a public budget hearing for Monday, December 3, 2012, at 7:00 p.m. to discuss the 2013 City budget, tax levy and capital improvement program.

ROLL CALL: Ayes: Wickstrom, Quigley, Martin
Nays: None

AGREEMENT FOR LEGAL SERVICES

Presentation by City Manager Terry Schwerm

The Council is asked to approve an engagement letter from the Kelly & Lemmons law firm for city attorney services for both civil law and prosecution services. City Attorney Filla has moved from the Peterson, Fram, & Bergman firm to Kelly & Lemmons. Staff believes that the Kelly & Lemmons firm will be better for the City because of their extensive background in municipal service. The agreement maintains the existing rate structure for attorney services that has been in place for several years. Staff is recommending approval.

City Attorney Filla stated that he is pleased with the move. There is more opportunity to discuss ideas with colleagues and do more government work, which is his special interest.

Councilmember Wickstrom stated that with the experience of Kelly & Lemmons in municipal work, the City will have backup staff that can easily step in if necessary. Should City Attorney Filla decide to retire, the City will be working with a law firm that can continue to provide quality legal service.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to approve the engagement letter for City Attorney services with Kelly & Lemmons, P.A.

ROLL CALL: Ayes: Quigley, Wickstrom, Martin
Nays: None

ADJOURNMENT

MOTION: by Councilmember Quigley, seconded by Mayor Martin to adjourn the meeting at 7:27 p.m.

VOTE: Ayes - 3 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 17th DAY OF SEPTEMBER 2012.

Terry C. Schwerm
City Manager